

February 17, 2015

By Electronic Filing
captioningexemptionfcc.gov

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Attention: Disability Rights Office, Room 3-B431
9300 East Hampton Drive
Capitol Heights, Maryland 20743

*Re: Petition for Exemption from Closed Captioning Requirements for Video
Programing Delivered Using Internet Protocol*

Dear Ms. Dortch:

Pursuant to 47 C.F.R. § 79.1 (f) (11), Interconnect Media Network Systems, LLC (“IMN”) hereby files this petition for a full exemption to the requirements of the Federal Communications Commission (“FCC”) regarding closed captioning requirements for Video Programing Delivered Using Internet Protocol.

IMN is a video programming provider, and compliance with the FCC’s closed captioning requirements would be economically burdensome for IMN, in that compliance would be significantly difficult and expensive. I will discuss below the four factors that the FCC uses to consider whether closed captioning of Internet-protocol-delivered video programming would be economically burdensome, pursuant to 47 C.F.R. § 79.4 (d) (2):

(i) The nature and cost of the closed captions for the programming.

IMN requests exemption as a website, rather than exemption of individual programming. IMN partners with clients to provide streaming services and social television experiences by white labeling its platform. The clients pull from the company’s existing video library or may supply content of their own. Currently IMN makes its content available to a worldwide audience via two URL addresses, www.simultv.com, an English language site, and www.asiapack.simultv.com, its Chinese language site. Programming is available to customers via mobile and PC devices using Flash and HTML5 technology. The list of programming that IMN provides is fluid as the company uses the same body of content to create multiple sites catering to specific genres, regions, languages, or interests. For example, IMN May add a property with a separate domain for science fiction fans that includes a subset of the content on <http://www.simultv.com>. The code base remains largely the same, and the content is pulled from the company’s existing library, but the CSS skinning and web address changes to attract a new genre of users.

For HTML5 playback of closed captioning of video on demand (“VOD”), IMN would provide WebVTT sidcar files for titles in question. So that the company will not have to change the database, IMN would use a naming convention for all sidcar files to match the name of the VOD file. Each file will be kept in the vtt subdirectory on the CDN.

For Flash playback IMN would use a timed text XML file for all titles that need captioning. Naming convention described above will be used here as well. The current player used by IMN for VOD playback in Flash will not provide closed captioning data, so the company must convert to use the FLVPlayback component. IMN would need to develop a custom scrub bar (the reason IMN chose the basic player to begin with) and then build out the custom player controls. As a result, the time to deploy VOD closed captioning is as follows:

- HTML5
 - 16 hours for HTML5 player adaptation
 - 8 hours testing
- Flash
 - 40 hours Integration of FLVPlayback component (replacing VideoPlayer)
 - 40 hours controls layout and design
 - 24 hours Captioning component integration
 - 16 hours testing

There are further hours for renaming and deploying the sidcar files for both types. This can probably be completed in a single day.

IMN also examined the cost of live streaming closed captioning. The goal was use embedded CEA-608 data in the MP4 files to broadcast live. The data is converted to AMF onTextData for RTMP, and is passed as CEA-608 data to iOS devices. IMN has tested a scheduled stream with CEA-608 data to its live Flash player and was able to capture text passed as closed captions. This has also been tested on iOS and works well. This has not been shown effective on Android via an HLS implementation. The solution is to note in the company’s terms of service that closed captioning is not supported on Android, or find another course of action for Android. As a result, the time to deploy live streaming closed captioning is as follows:

- Flash
 - 8 hours handle onTextData
 - 24 integrate Captioning component and style captions
 - 16 hours style and add captioning to player bar
- HTML5
 - 8 hours test Android and develop strategy, additional hours based on findings
 - 8 hours to add CC icon to player (fullscreen on iOS includes CC by default if CC present)

- General
 - 56 hours set up playlists for each channel to move to Wowza for scheduling (remove from PEER1 encoders so that we can support CEA-608 data)

In researching the cost of closed captioning, IMN reached out to its content providers and determined that none of its television programming from C3, ICN, or Deet and the Geek has been shown on television with captions due to FCC qualifications on revenue supporting the service. IMN is informed by its content providers that no closed captioning for its live channels. For its video on demand (“VOD”) titles, IMN has attempted to identify which titles may have appeared on television previously with captions, but the company has not been able to find a source listing titles. IMN has obtained a quote for captioning 100 titles, which may cover its most popular movies which may have been shown at one time on television with captions. IMN has received a quote from Vitac, a trusted entity for closed captioning, per file for two sidecar files for VOD distribution to browsers and iOS, as well as CEA-608 data embedded into the encoding to cover linear distribution to browser and iOS. Vitac’s bid is enclosed to this petition as Exhibit A:

100 titles estimated at 90 minutes in length - \$825 per title = \$82,500 for 100 titles

As a title is brought to IMN’s attention that requires captioning, the company would add captioning to this title to maintain compliance.

IMN’s development staff has estimated total development LOE for adapting our library and players at 192 hours. Applying an \$85 rate for these hours it will cost \$16,320 in developer time.

Therefore, IMN’s total cost for implementing closed captions on its system using Vitac would be \$98,820. The ongoing yearly cost of providing closed captioning is approximately \$6500, estimated based on 80 hours of maintenance at \$85. This is in addition to any new titles added to the catalog which require closed captioning. Each additional 90 minute title would include an expenditure of \$825.

IMN has also received a quote from CaptionMax, enclosed with this letter as Exhibit B. IMN has determined that the cost of implementing closed captioning using this vendor is \$86,320 with an additional expenditure of \$705 per 90 minutes of new content.

(ii) The impact on the operation of the video programming provider or owner.

The above cost estimates are extremely conservative, since IMN Systems currently accesses 5,000 titles with access to an additional 40,000 titles. IMN Systems requests this waiver because it has never generated positive revenue from its sample white label application SimulTV (www.simultv.com), and implementation of closed captioning would be impossible to

accomplish given IMN's current and projected financial conditions. Given the company's financial situation, it would have to cease its programming activities as well as its entire operations if it is required to provide captions.

(iii) *The financial resources of the video programming provider or owner.*

IMN provides its financial statements with confidential portions redacted. IMN is a newly-formed privately-held company and therefore has no obligation to disclose private financial matters to the public. Because of increasing competition in the video programming provider industry, full disclosure of IMN's private financial information will put IMN at a disadvantage with regard to similarly situated companies, in that these competitors will be aware of how and where IMN spends its limited resources. The public versions of these documents do not include the private financial information of its majority member, whose membership interest is slightly over 84% of the total ownership of IMN. The information redacted from the public versions of these documents is extremely confidential information, and public disclosure of this private and personal financial information would be harmful and is unnecessary for the public to gain an understanding of IMN's request for exemption.

Consequently, IMN provides this public version of its financial information and has redacted certain private and confidential information.

Enclosed please find the following financial documents for the public version of this petition:

Exhibit C	Interconnect Media Network Systems, LLC Balance Sheet (9/30/14)
Exhibit D	Interconnect Media Network Systems, LLC Profit and Loss Statement (9/30/14)
Exhibit E	Interconnect Media Network Systems, LLC 2012 U.S. Return of Partnership Income (IRS Form 1065)
Exhibit F	Interconnect Media Network Systems, LLC 2013 U.S. Return of Partnership Income (IRS Form 1065)

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IMN has sought but has been unsuccessful in obtaining sponsorships or other sources of revenue specifically for closed captioning or for making its equipment or services accessible. Specifically, IMN has approached eleven (11) advertisement agencies and vendors as possible sponsors, numerous investors and production partners, and two businesses with whom IMN has a relationship, all of whom rejected IMN's requests.

Without sponsorships or access to other sources of revenue, IMN does not have the resources to provide closed captioning.

For the foregoing reasons, Interconnect Media Network Systems, LLC respectfully requests a full exemption from the closed captioning requirements because such requirements are economically burdensome to the company.

Thank you very much for your kind consideration of this exemption request. Please do not hesitate to contact me at my telephone number above or at sturner@imnsys.com or (540) 461-1376 if you have any questions, or you may contact our attorney, Eric M. Page, at eric.page@leclairryan.com or (804) 968-2985.

Sincerely,



Steven Turner, CEO

Enclosures:

Exhibit A	Vitac Closed Captioning Quote
Exhibit B	CaptionMax Closed Captioning Quote
PUBLIC Exhibit C	Interconnect Media Network Systems, LLC Balance Sheet (9/30/14)
PUBLIC Exhibit D	Interconnect Media Network Systems, LLC Profit and Loss Statement (9/30/14)
PUBLIC Exhibit E	Interconnect Media Network Systems, LLC 2012 U.S. Return of Partnership Income (IRS Form 1065)
PUBLIC Exhibit F	Interconnect Media Network Systems, LLC 2013 U.S. Return of Partnership Income (IRS Form 1065)

State of Virginia County of Alleghany
Subscribed and sworn before me on 2-18-15
Vanessa Paige Wykle (Date)
(Notary Signature)

VANESSA PAIGE WYKLE
NOTARY PUBLIC 7547908
COMMONWEALTH OF VIRGINIA
MY COMMISSION EXPIRES 04/30/2017

Exhibit A

Vitac Closed Captioning Quote

Emailed: January 22, 2015

Good morning,

As you requested below is the revised quote for our captioning and encoding services for your programming – 100 movies, approximately 90 minutes each.

We can take the movies on a hard drive or as an upload to our secure FTP site. When you identify which movies you plan to caption, we will look to see if we have caption files in which case the reformat rates will apply instead of original captioning.

We will create caption files and encode to mp4 and upload the finished product with the caption file also exported to a SMPTE TT and a VTT file as well for each title. As we've discussed these rates are for non-rush schedules. When you are closer to being ready to start we can look at the schedule and come up with a plan which works for both of us. This should not be a problem as we have capacity between our two facilities to handle this kind of project.

Original Captioning:

\$400 per hour of programming, prorated to the quarter hour
90 minutes = \$600 per title for pop center style captioning with speaker ID

Reformatting:

\$200 per hour of programming, prorated to the quarter hour
90 minutes = \$300 per title. If the original captions were timed and placed pop on style, we will reformat to timed and placed pop on style.

Creation of SMPTE TT, VTT files and encoding to mp4:

\$150 per hour
90 minutes = \$225

Original captioning plus files and encoding per 90-minute title: \$825

Reformatting plus files and encoding: \$525

We look forward to working with you. Please let me know if you have any questions on this summary of pricing.

Best regards,
Deborah

Deborah Schuster
SVP, Market Development
VITAC
A Merrill Communications Company

Exhibit B

CaptionMax Closed Captioning Quote

captionmax



imnsystems 
a better place to watch

Closed Captioning Pricing and Workflow for IMN Systems

CaptionMax is delighted by the prospect of becoming a trusted media accessibility partner of IMN Systems. Our mission is to make media accessible to all people, and we welcome the opportunity to help IMN work towards and ultimately achieving the objective of FCC compliance.

On February 20, 2014, the FCC unanimously approved new standards defining the components necessary for high-quality closed captions. The summary of those standards for an asset to be considered fully accessible include; closed captions on television programs must accurately convey the dialogue, music, and sound effects and run from the beginning to the end of the program. In addition, captions must be timed so that they are as synchronized as possible with the program's dialogue and must be placed so they do not block other important information on the screen. CaptionMax brings a unique level of experience and understanding regarding FCC captioning regulations having worked directly with the FCC to draft the captioning vendor best practices.

Outlined below are 3 different possible strategies and pricing options to begin the initiative and help achieve the goals of IMN. CaptionMax would recommend a follow-up discussion to review in more detail these possible strategies with a focus on developing a custom approach for IMN to help manage the overall investment required and achieving IMN's goal of FCC compliance.

Scope:

100 Films of 5000+ film library
Source language: English
Average run-time: 90:00

CaptionMax Deliverables:

1. WebVTT and SMPTE TT caption files
2. Mp4 files with closed caption tracks attached

Delivery to CaptionMax:

Via Media Shuttle
480p feature length film - 650-900 MB
All media is ready to deliver. IMN would deliver films in batches

Delivery Schedule to IMN:

CaptionMax can complete 5-10 films per week



Proposed Rates Per Title:

Scenario A: Pop-on Caption File Origination:

\$7/program minute

*WebVTT and SMPTE TT caption files included in above rate

Mp4 closed caption file encoding: \$75/flat fee per film

Scenario B: Pop-on Caption File Reformat adhering to the FCC Standards of Quality:

\$6/program minute

*WebVTT and SMPTE TT caption files included in above rate

Mp4 closed caption file encoding: \$75/flat fee per film

Standards of Quality:

This FCC order adopts new standards of quality for accuracy, synchronicity (timing), program completeness, and placement of closed captions, requiring that captions be:

- **Accuracy:** Captions must reflect the dialogue, sound effects, and music in the audio track to the greatest extent possible based on the type of the programming and must include speaker identification.
- **Synchronicity:** Captions must coincide with their corresponding dialogue, sound effects, and lyrics to the greatest extent possible based on the type of the programming, as well as appearing at a speed that is readable by viewers.
- **Program Completeness:** Captions must run from the beginning to the end of the program, to the greatest extent possible, based on the type of the programming.
- **Placement:** Captions may not cover up other important on-screen information, such as featured text, graphics, or other information critical to the comprehension of the program's content.

Scenario C: Pop-on Caption File Reformat timing only

\$5/program minute

*WebVTT and SMPTE TT caption files included in above rate

Mp4 closed caption file encoding: \$75/flat fee per film

Thank you for considering CaptionMax, we look forward reviewing these options and building a strategy that best serves IMN.

Lindsay Beiriger

Director Business Development

CaptionMax

direct: 612.656.1042

mobile: 818.859.9525

email: Lindsay@captionmax.com

Public Exhibit C

Interconnect Media Network Systems, LLC Balance Sheet (9/30/14)

Interconnect Media Network Systems, LLC
Balance Sheet
As of September 30, 2014

Sep 30, 14 Sep 30, 13

ASSETS

REDACTED		
Total Current Assets	17,065.12	19,404.42

Fixed Assets

REDACTED		
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TOTAL ASSETS	518,548.75	523,028.54
LIABILITIES & EQUITY		
Liabilities		

REDACTED		
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Total Liabilities	5,745.86	2,114.04
Equity		

REDACTED		
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Total Equity	512,802.89	520,914.50
TOTAL LIABILITIES & EQUITY	518,548.75	523,028.54

Public Exhibit D

Interconnect Media Network Systems, LLC
Profit and Loss Sheet (9/30/14)

Interconnect Media Network Systems, LLC
Profit & Loss
January through September 2014

Jan - Sep 14 Jan - Sep 13

Ordinary Income/Expense

REDACTED

Gross Profit
Expense

1,242.20 0.00

REDACTED

Total Expense

758,793.96 547,675.37

Net Ordinary Income

-757,551.76 -547,675.37

Net Income

-757,551.76 -547,675.37

Public Exhibit E

Interconnect Media Network Systems, LLC
2012 U.S. Return of Partnership Income (IRS Form 1065)

Form **1065**Department of the Treasury
Internal Revenue Service**U.S. Return of Partnership Income**
For calendar year 2012, or tax year beginning _____, 2012,
ending _____, 20____.

OMB No. 1545-0099

2012Information about Form 1065 and its separate instructions is at www.irs.gov/form1065.

A Principal business activity Internet TV	Print or type.	Name of partnership Interconnect Media Network Systems, LLC	D Employer identification number [REDACTED]
B Principal product or service Internet TV		Number, street, and room or suite number. If a P.O. box, see the instructions. P.O. Box 95	E Date business started 06/09/11
C Business code number 519130		City or town Selma	F Total assets (see instrs) \$ 247,490.

G Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change (5) ☐ Amended return
(6) ☐ Technical termination — also check (1) or (2)

H Check accounting method: (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other (specify) _____

I Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year _____ **23**

J Check if Schedules C and M-3 are attached ☐

Caution. Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

INCOME	1 a Gross receipts or sales	1 a	0.
	b Returns and allowances	1 b	
	c Balance. Subtract line 1b from line 1a	1 c	0.
	2 Cost of goods sold (attach Form 1125-A)	2	
	3 Gross profit. Subtract line 2 from line 1c	3	0.
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)	4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))	5	
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)	6	
7 Other income (loss) (attach statement)	7		
8 Total income (loss). Combine lines 3 through 7	8	0.	
SUBTRACT DEDUCTIONS FOR LIMITATIONS	9 Salaries and wages (other than to partners) (less employment credits)	9	
	10 Guaranteed payments to partners	10	
	11 Repairs and maintenance	11	
	12 Bad debts	12	
	13 Rent	13	
	14 Taxes and licenses	14	
	15 Interest	15	
	16 a Depreciation (if required, attach Form 4562)	16 a	
	b Less depreciation reported on Form 1125-A and elsewhere on return	16 b	
	16 c	16 c	
	17 Depletion (Do not deduct oil and gas depletion.)	17	
	18 Retirement plans, etc.	18	
	19 Employee benefit programs	19	
	20 Other deductions (attach statement)	20	
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20	21		
22 Ordinary business income (loss). Subtract line 21 from line 8	22	-200,008.	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.

Signature of general partner or limited liability company member manager _____ Date _____

May the IRS discuss this return with the preparer shown below (see instrs)? ☒ Yes ☐ No

Paid Preparer Use Only

Print/Type preparer's name _____ Preparer's signature _____ Date _____ Check ☐ if self-employed PTIN _____

Firm's name **STUART M. HALE JR, CPA, PC** Firm's EIN **P01070964**

Firm's address **605 W MAIN ST** Phone no. **(540) 962-4566**

COVINGTON VA 24426

Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:				Yes	No
a <input type="checkbox"/> Domestic general partnership	b <input type="checkbox"/> Domestic limited partnership				
c <input checked="" type="checkbox"/> Domestic limited liability company	d <input type="checkbox"/> Domestic limited liability partnership				
e <input type="checkbox"/> Foreign partnership	f <input type="checkbox"/> Other ▶				
2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?					X
3 At the end of the tax year:					
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.					X
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.				X	
4 At the end of the tax year, did the partnership:					
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (iv) below.					X
(i) Name of Corporation		(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock	
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (v) below					X
(i) Name of Entity		(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital
				Yes	No
5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details.					X
6 Does this partnership satisfy all four of the following conditions?					
a The partnership's total receipts for the tax year were less than \$250,000.					
b The partnership's total assets at the end of the tax year were less than \$1 million.					
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.					
d The partnership is not filing and is not required to file Schedule M-3					X
If 'Yes,' the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.					
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?					X
8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?					X
9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?					X
10 At any time during calendar year 2012, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If 'Yes,' enter the name of the foreign country. ▶					X

Schedule B Other Information (continued)

	Yes	No
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions.		X
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.		X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly-owned by the partnership throughout the tax year) <input type="checkbox"/>		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ▶		
16 Does the partnership have any foreign partners? If 'Yes,' enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ▶		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return ▶		
18a Did you make any payments in 2012 that would require you to file Form(s) 1099? See instructions	X	
b If 'Yes,' did you or will you file all required Form(s) 1099?	X	
19 Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return ▶		
20 Enter the number of partners that are foreign governments under section 892 ▶		

Designation of Tax Matters Partner (see instructions)

Enter below the general partner or member-manager designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	Steven E. Turner	Identifying number of TMP ▶	
If the TMP is an entity, name of TMP representative ▶		Phone number of TMP ▶	
Address of designated TMP ▶	P.O. Box 95 Selma, VA 24474		

Public Exhibit F

Interconnect Media Network Systems, LLC
2013 U.S. Return of Partnership Income (IRS Form 1065)

Form **1065**Department of the Treasury
Internal Revenue Service**U.S. Return of Partnership Income**
For calendar year 2013, or tax year beginning _____, 2013,
ending _____, 20____

OMB No. 1545-0099

2013Information about Form 1065 and its separate instructions is at www.irs.gov/form1065.

A Principal business activity	Type or Print	Name of partnership	D Employer identification number
B Principal product or service		Interconnect Media Network Systems, LLC	
C Business code number		Number, street, and room or suite number. If a P.O. box, see the instructions.	E Date business started
Internet TV		P.O. Box 95	06/09/11
Internet TV		City or town, state or province, country, and ZIP or foreign postal code	F Total assets (see instrs)
519130		Selma VA 24474	\$ 495,662.

G Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Name change (4) ☐ Address change (5) ☐ Amended return(6) ☐ Technical termination — also check (1) or (2)**H** Check accounting method: (1) ☐ Cash (2) ☒ Accrual (3) ☐ Other (specify) ▶**I** Number of Schedules K-1. Attach one for each person who was a partner at any time during the tax year 67**J** Check if Schedules C and M-3 are attached ☐**Caution.** Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

INCOME	1 a Gross receipts or sales	1 a	
	b Returns and allowances	1 b	
	c Balance. Subtract line 1b from line 1a	1 c	
	2 Cost of goods sold (attach Form 1125-A)	2	
	3 Gross profit. Subtract line 2 from line 1c	3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach statement)	4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))	5	
	6 Net gain (loss) from Form 4797, Part II, line 17 (attach Form 4797)	6	
7 Other income (loss) (attach statement)	7		
8 Total income (loss). Combine lines 3 through 7	8		
SEE INSTRUCTIONS FOR DEDUCTIONS	9 Salaries and wages (other than to partners) (less employment credits)	9	
	10 Guaranteed payments to partners	10	
	11 Repairs and maintenance	11	
	12 Bad debts	12	
	13 Rent	13	
	14 Taxes and licenses	14	
	15 Interest	15	
	16 a Depreciation (if required, attach Form 4562)	16 a	
	b Less depreciation reported on Form 1125-A and elsewhere on return	16 b	
	16 c	16 c	
	17 Depletion (Do not deduct oil and gas depletion.)	17	
	18 Retirement plans, etc.	18	
	19 Employee benefit programs	19	
	20 Other deductions (attach statement)	20	
21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20	21		
22 Ordinary business income (loss). Subtract line 21 from line 8	22	-763,837.	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than general partner or limited liability company member manager) is based on all information of which preparer has any knowledge.

Signature of general partner or limited liability company member manager

Date

May the IRS discuss this return with the preparer shown below (see instrs)? ☒ Yes ☐ No**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Stuart M. Hale, Jr.

03/31/14

P01070964

Firm's name ▶ STUART M. HALE JR, CPA, PC

Firm's EIN ▶

Firm's address ▶ 605 W MAIN ST

COVINGTON

VA 24426

Phone no. (540) 962-4566

BAA For Paperwork Reduction Act Notice, see separate instructions.

PTPA0112 12/19/13

Form 1065 (2013)

Schedule B Other Information

1 What type of entity is filing this return? Check the applicable box:				Yes	No
a <input type="checkbox"/> Domestic general partnership	b <input type="checkbox"/> Domestic limited partnership				
c <input checked="" type="checkbox"/> Domestic limited liability company	d <input type="checkbox"/> Domestic limited liability partnership				
e <input type="checkbox"/> Foreign partnership	f <input type="checkbox"/> Other ▶				
2 At any time during the tax year, was any partner in the partnership a disregarded entity, a partnership (including an entity treated as a partnership), a trust, an S corporation, an estate (other than an estate of a deceased partner), or a nominee or similar person?					X
3 At the end of the tax year:					
a Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization, or any foreign government own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.					X
b Did any individual or estate own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital of the partnership? For rules of constructive ownership, see instructions. If 'Yes,' attach Schedule B-1, Information on Partners Owning 50% or More of the Partnership.				X	
4 At the end of the tax year, did the partnership:					
a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (iv) below.					X
(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage Owned in Voting Stock		
b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If 'Yes,' complete (i) through (v) below					X
(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital	
				Yes	No
5 Did the partnership file Form 8893, Election of Partnership Level Tax Treatment, or an election statement under section 6231(a)(1)(B)(ii) for partnership-level tax treatment, that is in effect for this tax year? See Form 8893 for more details.					X
6 Does this partnership satisfy all four of the following conditions?					
a The partnership's total receipts for the tax year were less than \$250,000.					
b The partnership's total assets at the end of the tax year were less than \$1 million.					
c Schedules K-1 are filed with the return and furnished to the partners on or before the due date (including extensions) for the partnership return.					
d The partnership is not filing and is not required to file Schedule M-3					X
If 'Yes,' the partnership is not required to complete Schedules L, M-1, and M-2; Item F on page 1 of Form 1065; or Item L on Schedule K-1.					
7 Is this partnership a publicly traded partnership as defined in section 469(k)(2)?					X
8 During the tax year, did the partnership have any debt that was cancelled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?					X
9 Has this partnership filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?					X
10 At any time during calendar year 2013, did the partnership have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR) (formerly TD F 90-22-1). If 'Yes,' enter the name of the foreign country. ▶					X

Schedule B Other Information (continued)

	Yes	No
11 At any time during the tax year, did the partnership receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If 'Yes,' the partnership may have to file Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts. See instructions.		X
12a Is the partnership making, or had it previously made (and not revoked), a section 754 election? See instructions for details regarding a section 754 election.		X
b Did the partnership make for this tax year an optional basis adjustment under section 743(b) or 734(b)? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instructions		X
c Is the partnership required to adjust the basis of partnership assets under section 743(b) or 734(b) because of a substantial built-in loss (as defined under section 743(d)) or substantial basis reduction (as defined under section 734(d))? If 'Yes,' attach a statement showing the computation and allocation of the basis adjustment. See instrs		X
13 Check this box if, during the current or prior tax year, the partnership distributed any property received in a like-kind exchange or contributed such property to another entity (other than disregarded entities wholly-owned by the partnership throughout the tax year) <input type="checkbox"/>		
14 At any time during the tax year, did the partnership distribute to any partner a tenancy-in-common or other undivided interest in partnership property?		X
15 If the partnership is required to file Form 8858, Information Return of U.S. Persons With Respect To Foreign Disregarded Entities, enter the number of Forms 8858 attached. See instructions ▶		
16 Does the partnership have any foreign partners? If 'Yes,' enter the number of Forms 8805, Foreign Partner's Information Statement of Section 1446 Withholding Tax, filed for this partnership. ▶		X
17 Enter the number of Forms 8865, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to this return ▶		
18a Did you make any payments in 2013 that would require you to file Form(s) 1099? See instructions	X	
b If 'Yes,' did you or will you file all required Form(s) 1099?	X	
19 Enter the number of Form(s) 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations, attached to this return ▶		
20 Enter the number of partners that are foreign governments under section 892 ▶		

Designation of Tax Matters Partner (see instructions)

Enter below the general partner or member-manager designated as the tax matters partner (TMP) for the tax year of this return:

Name of designated TMP ▶	Steven E. Turner	Identifying number of TMP ▶	
If the TMP is an entity, name of TMP representative ▶		Phone number of TMP ▶	
Address of designated TMP ▶	P.O. Box 95 Selma, VA 24474		